

VALUATION REPORT

VIP CLOTHING LIMITED [VCL]
CIN - L18101MH1991PLC059804
PAN - AABCM1549A

Registered Office –
C-6, MIDC, Road No 22, Andheri East, Mumbai Maharashtra, 400093

Prepared By
V S Jadon & Co
Valuers LLP [VSJC]

Valuation Asset -
Equity shares of VCL with Face Value of ₹2 Each

Report Date
May 16, 2026

Valuation Purpose –
Determination of the Fair Value per equity share of VCL for the proposed preferential allotment of equity shares, for the use of the Board of Directors of VCL in complying with Regulation 166A read with Regulation 164 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"), read with the Companies Act, 2013 and the Companies (Registered Valuers and Valuation) Rules, 2017.

Note

VCL ('the Company') was incorporated in India under Companies Act, 1956 vide registration number L18101MH1991PLC059804 dated January 14, 1991. VCL is engaged in the manufacturing of innerwear in India under the well-recognised "VIP" brand, with manufacturing facilities in Tamil Nadu, Daman & Diu, and Gujarat. The Company has a wide distribution network and sells to distributors, wholesalers, and modern retail outlets. The product portfolio includes bras, panties, night suits, t-shirts, accessories, socks, vests, briefs, trunks, boxer shorts, and related innerwear. The equity shares of VCL are listed on BSE Limited and the National Stock Exchange of India Limited.

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VSJC

To,
Board of Directors,
VIP Clothing Limited,
C-6, MIDC, Road No 22, Andheri East, Mumbai Maharashtra, 400093

May 16, 2026

Subject – Valuation Report on the Fair Value of Equity Shares of VIP Clothing Limited ("VCL") for the proposed preferential allotment, determined in accordance with Regulation 166A read with Regulation 164 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

Reference - Our appointment vide engagement letter dated 11 May 2026.

Dear Sir/s,

We refer to our discussions with the management of VIP Clothing Limited ("VCL" or "the Company"), pursuant to which the Company has requested V S Jadon & Co. Valuers LLP, a Registered Valuer Entity ("RVE"), to determine the Fair Value of the equity shares of VCL as at the Valuation Date of 31 December 2025, for the purpose of determining the floor price for the proposed preferential allotment of equity shares in accordance with the SEBI ICDR Regulations, the Relevant Date for which is 12 May 2026.

We enclose herewith our valuation report setting out the basis of value, the methodologies considered, the assumptions adopted, our scope of work, procedures performed, sources of information, key value considerations, and our conclusion of Fair Value.

This valuation has been carried out in accordance with the Companies (Registered Valuers and Valuation) Rules, 2017, the ICAI Valuation Standards 2018, the International Valuation Standards 2025, and the relevant provisions of the SEBI ICDR Regulations, 2018, as amended.

This report is our deliverable for the said engagement and is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. The report is to be read in totality and in conjunction with the documents referred to herein. The conclusion of value is provided solely for the purpose stated above and is subject to the inherent uncertainties arising from changes in market conditions, regulatory frameworks or unforeseen developments after the date of this report.

We trust this report meets your requirements.

Signatory

For V S Jadon & Co Valuers LLP
IBBI Registered Valuers Entity
IBBI/RV-E/2/2023/191

CA Dhananjay Walke
FCA, IBBI Registered Valuer (SFA)
RV No. IBBI/RV/02/2020/13637



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Pune
May 16, 2026

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EXECUTIVE SUMMARY**Introduction**

The valuation subject entity, VIP Clothing Limited ("VCL" or "the Company"), was incorporated in India under the Companies Act, 1956 on 14 January 1991 (CIN: L18101MH1991PLC059804; PAN: AABCM1549A). VCL is engaged in the manufacture of innerwear in India under the well-recognised "VIP" brand, with manufacturing facilities in Tamil Nadu, Daman & Diu and Gujarat. The Company has a wide distribution network selling to distributors, wholesalers and modern retail outlets. Its product portfolio includes bras, panties, night suits, t-shirts, accessories, socks, vests, briefs, trunks, boxer shorts and related innerwear.

The equity shares of VCL are listed on BSE Limited (Scrip Code: 532613) and the National Stock Exchange of India Limited (Symbol: VIPCLOTHNG); ISIN: INE450G01024. As established in the Reg. 164(1) working (refer Annexure 1A), the equity shares are frequently traded on NSE within the meaning of Regulation 164(5) of the SEBI ICDR Regulations, NSE being the recognised stock exchange recording the highest trading volume in the equity shares during the relevant period.

As on the Valuation Date, the issued, subscribed and paid-up equity share capital of the Company is ₹18,02,59,038, divided into 9,01,29,519 equity shares of ₹2 each.

The valuer, V S Jadon & Co. Valuers LLP ("VSJC"), is an IBBI-registered Registered Valuer Entity (IBBI/RV-E/2/2023/191) providing valuation services. We affirm that, as on the date of this assignment, we are an independent party and that, to the best of our knowledge and belief, no member of our firm or partner, employee, or person has any direct or indirect financial interest in the Company, its promoters, directors, key managerial personnel, the proposed allottees, or persons acting in concert with the proposed allottees. Further, the fee for the engagement is not contingent upon the conclusion of value or the outcome of the preferential allotment.

Purpose

As per discussions with the management, the Valuer understands that the Company proposes to undertake a preferential allotment of equity shares. The Company has represented that the proposed preferential allotment will result in the allotment of more than 5% of the post-issue fully diluted share capital of the issuer to an allottee / allottees acting in concert, thereby attracting Regulation 166A(1) of the SEBI ICDR Regulations.

Consequently, in terms of the first proviso to Regulation 166A(1), the floor price shall be the higher of:

- i. the floor price determined under sub-regulation (1) of regulation 164 (being the applicable limb, as the equity shares are frequently traded);
- ii. the price determined under this independent Registered Valuer's report; or
- iii. the price determined in accordance with the provisions of the Articles of Association of the issuer, if applicable.

The Articles of Association of the Company do not prescribe a price for preferential allotment; accordingly, (iii) is not applicable.

We have relied on management's representation for the applicability of Regulation 166A and have not independently verified the post-issue shareholding or dilution. The proposed preferential allotment does not result in a change in control of the Company; accordingly, the second proviso to Regulation 166A(1) (guidance on control premium) and Regulation 166A(2) are not attracted.

Accordingly, the management of VCL has requested VSJC for appointment as the Registered Valuer in order to determine and report the Fair Value per equity share of face value ₹2 each of VCL, to comply with the requirements laid down under Regulation 166A read with Regulation 164 of Chapter V of the SEBI (ICDR) Regulations, 2018 (as amended).

Appointment Date	May 11, 2026
Valuation Date	December 31, 2025 (Being date of latest available financials)
Relevant Date	May 12, 2026 (Regulation 161, SEBI ICDR Regulations)
Valuation Report Date	May 16, 2026

Note: The Valuation Date is the reference date for the Company's financial position and the fair value assessment. The Relevant Date is the date by reference to which the Regulation 164(1) actively traded price is computed for the statutory floor-price comparison. We have satisfied ourselves that there is no material change in circumstances between the Valuation Date and the Relevant Date that would materially affect the conclusion of value.

Valuation Procedure

Our analysis considers the facts and circumstances existing as at the Valuation Date. Our conclusion is specific to the Valuation Date and would most likely differ if another Valuation Date were adopted. The interaction between the Valuation Date (31 December 2025) and the Relevant Date (12 May 2026) for the purpose of the statutory floor-price comparison is addressed in the Purpose and Valuation Conclusion sections.

Our valuation exercise was carried out for the determination of the Fair Value per equity share of VCL on a standalone basis as on the Valuation Date, for the purpose of the floor-price comparison under Regulation 166A read with Regulation 164 of the SEBI ICDR Regulations. The management used assumptions in the preparation of the financial information and, where applicable, financial projections of VCL; the responsibility for such information, projections and the underlying assumptions rests with the management.

The audited financial statements of the Company for the financial year ended 31 March 2026 were not available as at the Valuation Report Date. Accordingly, for the financial position as on the Valuation Date (31 December 2025), we have relied on the provisional / management-certified financial information furnished by the management, supported by the Management Representation Letter. Our conclusion is subject to such information being confirmed by the audited financial statements for the relevant period as and when published.

The factors we considered include the history of the business, economic outlook, relevant industry outlook, the financial condition of the business, earnings potential, tangible assets, intangible assets, and the valuation indicators for publicly traded companies engaged in the same or similar line of business. Given that the equity shares of VCL are frequently traded, particular regard was had to the observed market price of the equity shares on the recognised stock exchange recording the highest trading volume during the relevant period.

Key Factors affecting valuation

The following are the key factors that have a significant bearing on the valuation process and the conclusion of value as at the Valuation Date for the subject asset:

- The equity shares of VCL are frequently traded on NSE within the meaning of Regulation 164(5). Consequently, the observed market price of the equity shares (the Regulation 164(1) volume-weighted average price on the recognised stock exchange recording the highest trading volume) constitutes the primary and statutorily mandated evidence of value for the floor-price comparison, with the other approaches considered on a corroborative basis.
- The Valuation Date (31 December 2025) is determined by reference to the latest available financial information, whereas the Relevant Date (12 May 2026) governs the statutory actively-traded-price computation. The conclusion is sensitive to this date interaction, which is addressed in the Purpose and Valuation Conclusion sections.
- The audited financial statements for the financial year ended 31 March 2026 were not available as at the Valuation Report Date; reliance has been placed on provisional / management-certified financial information supported by the Management Representation Letter. Any material difference on finalisation of the audited accounts may affect the conclusion.
- Under the Asset Approach (Net Asset Value method), the Company's brand and licence have been considered at the carrying values appearing in the Company's audited financial statements, which are prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. These intangible assets are recognised and measured under Ind AS 38, net of amortisation and impairment, and are subject to annual impairment assessment by the Company. As per the audited financial statements and the disclosures therein, no indicators of impairment were identified, and the management has represented, vide the Management Representation Letter, that there has been no material change in the carrying values of these intangible assets since the last audited balance sheet date. We have placed reliance on such audited financial information and management representations for the purpose of the Net Asset Value method.
- The status of the Company's outstanding convertible warrants and any change in the issued / fully-diluted share capital between the Valuation Date and the Relevant Date is a factor relevant to the conclusion.

The resulting estimate of value is specific to the purpose and the Valuation Date stated in this report and should not be used for any other purpose or by any other party. This valuation has been conducted in accordance with the Companies (Registered Valuers and Valuation) Rules, 2017, the ICAI Valuation Standards 2018 and the International Valuation Standards 2025. The estimate of value resulting from this engagement is expressed as a conclusion of Fair Value.

Approach & Methodologies considered

Valuation procedure typically considers the Asset Approach, the Market Approach and the Income Approach. As the equity shares of VCL are frequently traded, the floor price for the proposed preferential allotment is governed by Regulation 166A read with Regulation 164(1) of the SEBI ICDR Regulations, being the higher of (i) the actively-traded price determined under Regulation 164(1), (ii) the price determined under this Registered Valuer's report, or (iii) the price determined in accordance with the Articles of Association of the issuer. Having regard to the characteristics of the subject asset and the said statutory framework, the valuation approaches and methods considered are as follows:

Valuation Approach	Valuation Method Considered
Market Approach	Actively-Traded Market Price (Regulation 164(1) VWAP on the recognised stock exchange recording the highest trading volume)
Market Approach	Comparable Company Multiple Method [EV/EBITDA, Price/Book, Price/Earnings, Price/Sales]
Asset Approach	Net Asset Value Method

Income Approach	Historical Earnings Capitalisation Method
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The basis for adoption or rejection of each approach and method, and the reasons therefor, are set out in the Valuation conclusion section of this report.

Valuation Conclusion

We have estimated the Fair Value per equity share of VIP Clothing Limited as on the Valuation Date (31 December 2025), on a standalone basis, having considered the Asset, Income and Market approaches in accordance with the ICAI Valuation Standards 2018, the International Valuation Standards 2025, the Companies (Registered Valuers and Valuation) Rules, 2017 and the pricing framework under the SEBI ICDR Regulations. The value indicated under each approach, and the basis on which each has been weighted in arriving at the relative value per share, is summarised below:

Valuation Approach	Valuation Method	Ref.	Estimated Fair Value (₹/equity share)	Weight	Remarks
Asset Approach	Net Asset Value	Annexure 3	23.56	50%	Net asset value on a fair-value, going-concern basis. The Company has a positive net worth; the method has been considered on a corroborative basis as, for an operating going concern, value is principally driven by business earnings and market evidence rather than underlying net assets, and internally-generated brand value is not recognised under this method.
Income Approach	Historical Earnings Capitalisation	Annexure 4	-2.53	0%	The Company's historical earnings are volatile and non-uniform, and management did not provide financial projections. Application of the capitalisation rate to the normalised historical earnings yields a negative indication that is not a meaningful measure of value. The Income Approach has accordingly been considered but not relied upon.
Market Approach	Comparable Company Multiple	Annexure 2	12.72	50%	Derived from adjusted EV/EBITDA and P/E multiples of comparable listed innerwear / branded-apparel companies, after a reasoned comparability discount. Market-based and given primary weight among the approaches applied.
Relative Value per equity share			18.14	100%	Weighted relative value per equity share determined under this Registered Valuer's report.

The Income Approach indicated a negative value of ₹(2.53) per share which is not a meaningful measure of value (volatile earnings, no projections) and has accordingly been excluded from the determination of the relative value per share. The relative value per share has been determined as the equal-weighted average of the Asset Approach and Market Approach indications, being ₹18.14.

Determination of floor price under Regulation 166A read with Regulation 164

In terms of the first proviso to Regulation 166A(1), the floor price for the proposed preferential allotment shall be the higher of (i) the price determined under sub-regulation (1) of Regulation 164, and (ii) the price determined under this independent Registered Valuer's report. The Articles of Association of the Company do not prescribe any price or formula for preferential allotment; accordingly, (iii) of the first proviso is not applicable, and the determination is a two-way comparison.

The equity shares of the Company are frequently traded, and the recognised stock exchange recording the highest trading volume during the 90 trading days preceding the Relevant Date is the National Stock Exchange of India Limited (NSE). The price determined under Regulation 164(1), being the higher of the 90-trading-day and 10-trading-day volume-weighted average price of the equity shares on NSE preceding the Relevant Date, is ₹22.48 per equity share (refer Annexure 1-A; BSE computation at Annexure 1-B, corroborative). The relative value per equity share determined under this Registered Valuer's report is ₹18.14.

Accordingly, as the price under Regulation 164(1) (₹22.48) is higher than the relative value per equity share under this report (₹18.14), the floor price for the proposed preferential allotment of equity shares is ₹22.48 per equity share, as on the Relevant Date of 12 May 2026.

Developments between the Valuation Date and the Relevant Date

The Valuation Date is 31 December 2025 and the Relevant Date is 12 May 2026. We have considered whether any development in the intervening period would materially affect the conclusion. The 1,14,05,000 share warrants outstanding as on the Valuation Date were out-of-the-money relative to the prevailing market price of the equity shares and have lapsed; the warrants being anti-dilutive, their lapse does not adversely affect the value per equity share, and the amount received against the lapsed warrants, on forfeiture, accretes to the equity of the existing shareholders (directionally supportive of value per share).

The actively-traded price under Regulation 164(1), which governs the floor, has in any event been determined as on the Relevant Date. Save as aforesaid, based on the information and representations provided to us, there were no other material events or changes between the Valuation Date and the Relevant Date that would materially affect the conclusion of value. The conclusion as at the Valuation Date accordingly holds good for the purpose of the floor-price determination as on the Relevant Date.

This conclusion is subject to the Valuation Assumptions and Limitations and the management representations set out in this report. We have no obligation to update this report or our conclusion of value for information coming to our attention after the date of this report. The valuation has been carried out on a going-concern premise.

VALUATION SUBJECT***Entity Background***

The valuation subject entity, VIP Clothing Limited ("VCL" or "the Company"), was incorporated in India under the Companies Act, 1956 on 14 January 1991 (CIN: L18101MH1991PLC059804; PAN: AABCM1549A). VCL is engaged in the manufacture of innerwear in India under the well-recognised "VIP" brand, with manufacturing facilities in Tamil Nadu, Daman & Diu and Gujarat. The Company has a wide distribution network selling to distributors, wholesalers and modern retail outlets. Its product portfolio includes bras, panties, night suits, t-shirts, accessories, socks, vests, briefs, trunks, boxer shorts and related innerwear.

The equity shares of VCL are listed on BSE Limited (Scrip Code: 532613) and the National Stock Exchange of India Limited (Symbol: VIPCLOTHNG; ISIN: INE450G01024). As established in the Reg. 164(1) working (refer Annexure 1A), the equity shares are frequently traded on NSE within the meaning of Regulation 164(5) of the SEBI ICDR Regulations, NSE being the recognised stock exchange recording the highest trading volume in the equity shares during the relevant period.

As on the Valuation Date, the issued, subscribed and paid-up equity share capital of the Company is ₹18,02,59,038, divided into 9,01,29,519 equity shares of ₹2 each.

VCL is one of India's established branded innerwear companies, manufacturing, marketing and distributing men's and women's innerwear and socks under the "VIP", "Frenchie", "Feelings" and "Leader" brands. The Company operates an in-house manufacturing facility in Tamil Nadu and a distribution network comprising over 550 distributors and a wide retail and modern-trade footprint across India.

On a standalone basis, the Company's revenue from operations for the financial year ended 31 March 2025 was ₹236.89 crore (financial year ended 31 March 2024: ₹183.28 crore), an increase of approximately 29%. The Company recorded a net profit of ₹5.46 crore for the financial year ended 31 March 2025, as against a net loss of ₹12.65 crore in the preceding financial year, with EBITDA margins improving to approximately 8% (preceding year: negative). No dividend was declared for the financial year ended 31 March 2025. The Company's long-term bank facilities were rated 'IND BBB-' (Stable) by India Ratings and Research.

Valuation Asset

We have carried out the valuation of the estimated Fair Value of the equity shares of VCL. The details of the shares issued by VCL as on the Valuation Date are as follows:

Shareholding Pattern as on the Valuation Date (31 December 2025)

(Source: Shareholding Pattern filed by the Company with BSE / NSE under Regulation 31 of SEBI (LODR) Regulations, 2015 for the quarter ended 31 December 2025)

Category of Shareholder	No of Shareholders	No. of shares (excluding Underlying Outstanding convertible securities including Warrants)	% Holding	Face value per share	Share Capital
Promoter & Promoter Group	7	4,19,55,538	46.55%	2	8,39,11,076
Public	32,320	4,81,73,981	53.45%	2	9,63,47,962
Total	32,327	9,01,29,519	100.00%		18,02,59,038

As on the Valuation Date, the Company had 1,14,05,000 share warrants outstanding, issued on a preferential basis, against which 25% of the issue price (₹11.25 per warrant) had been received on various dates up to 3 October 2024, the balance 75% being payable on exercise. Each warrant is convertible into one equity share of ₹2 each. Accordingly, the fully diluted equity share capital as on the Valuation Date, assuming full conversion, would comprise 10,15,34,519 equity shares. The exercise price per warrant being approximately ₹45, the warrants are out-of-the-money relative to the prevailing market price of the equity shares as on the Relevant Date and have accordingly been treated as anti-dilutive. The basis of treatment of the outstanding warrants under each valuation approach is set out in the Valuation Approaches & Methodology and Valuation Conclusion sections.

The Company's paid-up capital comprises equity shares of face value of ₹2 each, constituting a single class of equity shares with identical rights. Each holder of equity shares is entitled to one vote per share held, and each share carries the same dividend rights. Dividends are declared and paid in Indian Rupees; any dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting. Upon liquidation, dissolution or winding up of the Company, all amounts available for distribution to the holders of equity shares shall be distributed in accordance with the Articles of Association of the Company and applicable law.

**VALUATION
OBJECTIVE*****Purpose of valuation***

We have been appointed by VCL to determine the Fair Value per equity share of face value ₹2 each of the Company, as on the Valuation Date, for the purpose of determining the floor price for the proposed preferential allotment of equity shares in accordance with Regulation 166A read with Regulation 164 of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations").

As per discussions with the management, the Valuer understands that the Company proposes to undertake a preferential allotment of equity shares. The Company has represented that the proposed preferential allotment will result in the allotment of more than 5% of the post-issue fully diluted share capital of the issuer to an allottee / allottees acting in concert, thereby attracting Regulation 166A(1) of the SEBI ICDR Regulations.

Consequently, in terms of the first proviso to Regulation 166A(1), the floor price shall be the higher of:

- iv. the floor price determined under sub-regulation (1) of regulation 164 (being the applicable limb, as the equity shares are frequently traded);
- v. the price determined under this independent Registered Valuer's report; or
- vi. the price determined in accordance with the provisions of the Articles of Association of the issuer, if applicable.

The Articles of Association of the Company do not prescribe a price for preferential allotment; accordingly, (iii) is not applicable.

We have relied on management's representation for the applicability of Regulation 166A and have not independently verified the post-issue shareholding or dilution. The proposed preferential allotment does not result in a change in control of the Company; accordingly, the second proviso to Regulation 166A(1) (guidance on control premium) and Regulation 166A(2) are not attracted.

In terms of the third proviso to Regulation 166A(1), this valuation report is required to be published on the website of the issuer and referenced in the notice calling the general meeting of shareholders, and has been prepared with that requirement in contemplation.

Appointment Date	May 11, 2026
Valuation Date	December 31, 2025 (Being date of latest available financials)
Relevant Date	May 12, 2026 (Regulation 161, SEBI ICDR Regulations)
Valuation Report Date	May 16, 2026

The Valuation Date is the reference date for the Company's financial position and the fair value assessment; the Relevant Date governs the Regulation 164(1) actively-traded-price computation for the statutory floor comparison. The interaction between the two dates, including any material developments in the intervening period, is addressed in the Valuation Conclusion section.

Scope & Appointment Summary

VCL has appointed V S Jadon & Co. Valuers LLP, an IBBI-registered Registered Valuer Entity, vide engagement letter dated 11 May 2026, to determine the Fair Value per equity share of face value ₹2 each of the Company as on the Valuation Date, for the purpose of the floor-price comparison under Regulation 166A read with Regulation 164 of the SEBI ICDR Regulations.

Our analysis considers the facts and circumstances existing as at the Valuation Date. Our conclusion is specific to the Valuation Date and would most likely differ if another Valuation Date were adopted. Our scope comprised the determination of the Fair Value per equity share of VCL on a standalone basis as on the Valuation Date, for the said statutory purpose. Our work was based on information and representations provided by management and information available in the public domain; it did not constitute an audit, review, or due diligence of the Company's financial or operating information, and we have not independently verified the information so relied upon. The detailed assumptions, exclusions and limitations are set out in the Valuation Assumptions & Limitations section of this report.

This valuation has been carried out in accordance with the Companies (Registered Valuers and Valuation) Rules, 2017, the ICAI Valuation Standards 2018, the International Valuation Standards 2025, and the relevant provisions of the SEBI ICDR Regulations, 2018, as amended.

The factors considered include the history of the business, the economic outlook, the relevant industry outlook, the financial condition of the business, earnings potential, tangible and intangible assets, and the valuation indicators for publicly traded companies engaged in the same or similar line of business. Given that the equity shares of VCL are frequently traded, particular regard was had to the observed market price of the equity shares on the recognised stock exchange recording the highest trading volume during the relevant period.

We affirm that, as on the date of this assignment, we are an independent party and that, to the best of our knowledge and belief, no member of our firm or partner, employee, or person has any direct or indirect financial interest in the Company, its promoters, directors, key managerial personnel, the proposed allottees, or persons acting in concert with the proposed allottees. Further, the fee for the engagement is not contingent upon the conclusion of value or the outcome of the preferential allotment.

Basis of Value

The basis of value adopted for the valuation of the equity shares of VCL is Fair Value.

Fair Value, as defined in paragraph 17 of ICAI Valuation Standard 102 "Valuation Bases", and consistently with Ind AS 113 "Fair Value Measurement" and IVS 102, is "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement (valuation) date."

Fair Value has been adopted as it is the basis of value appropriate to the purpose of this engagement, namely the determination of the floor price for a preferential allotment under Regulation 166A read with Regulation 164 of the SEBI ICDR Regulations, the statutory pricing construct under which is based on arm's-length, market-participant evidence.

Premise of Value

The valuation has been carried out on a going-concern premise, i.e. on the basis that the Company is a continuing business enterprise with management operating it in the ordinary course of business, and not on a liquidation or forced-sale basis. This premise is considered appropriate

having regard to the nature of the Company's operations and the purpose of the valuation. Accordingly, the value indications under each approach, including the Net Asset Value method, have been considered on a going-concern basis and not on a realisable or break-up basis.

VALUATION PROCEDURE

Brief procedure adopted

To arrive at our conclusion of the estimated Fair Value, we have performed, inter alia, the following procedures:

- Identified the nature of the business and reviewed the existing operations of the Company;
- Researched the general economic outlook and the outlook for the specific industry in which the Company operates as at the Valuation Date;
- Identified and analysed the historical operational and financial performance of the Company on a standalone basis;
- Made adjustments, where considered appropriate, to normalise historical earnings for the purpose of the earnings-based method (e.g. for exceptional or non-recurring items), to the extent relevant and as set out in the Valuation Approaches & Methodology section;
- Considered the carrying values of the Company's assets and liabilities, including intangible assets, as reflected in the audited financial statements prepared under Ind AS and as represented by management, for the purpose of the Net Asset Value method;
- Computed the actively-traded market price under Regulation 164(1), and applied the frequently-traded test under Regulation 164(5), with reference to the trading data of the equity shares on both BSE and NSE, and determined the recognised stock exchange recording the highest trading volume during the relevant period;
- Considered the status of the Company's outstanding share warrants and the fully diluted share capital, and their treatment under each valuation approach;
- In concluding value, considered the Asset, Income and Market approaches and the following methods under each approach:
 - Asset Approach - Net Asset Value method;
 - Income Approach - Historical Earnings Capitalisation method;
 - Market Approach - (i) Actively-Traded Market Price (Regulation 164(1)) and (ii) Comparable Company Multiple method;
- Determined the floor price as the higher of the price under Regulation 164(1) and the price under this Registered Valuer's report, in accordance with the first proviso to Regulation 166A(1) (the Articles of Association not prescribing any price); and
- Obtained and relied upon written representations from management in respect of the matters set out in this report.

Sources of information

For the purpose of arriving at the estimated Fair Value, we have relied upon information and explanations provided by the management and information available in the public domain. We have not independently verified such information and assume no responsibility for its accuracy or completeness; the responsibility for the accuracy and completeness of such information rests with the management. Our conclusion is dependent upon and subject to such information being complete and accurate in all material respects.

In connection with this exercise, the following information has been received from the management and/or gathered from the public domain:

- Audited financial statements of the Company (standalone) for the financial years ended 31 March 2023, 31 March 2024 and 31 March 2025;
- Provisional / management-certified financial information for the period 1 April 2025 to 31 December 2025 (the audited financial statements for the financial year ending 31 March 2026 not being available as at the Valuation Report Date);
- Daily price and traded-volume data of the equity shares of VCL on BSE Limited and the National Stock Exchange of India Limited for the 90-trading-day, 10-trading-day and 240-trading-day periods preceding the Relevant Date (source: BSE / NSE official historical data - refer Annexure);

- Shareholding pattern of the Company filed with BSE / NSE under Regulation 31 of SEBI (LODR) Regulations, 2015 for the quarter ended 31 December 2025;
- The Company's Annual Report for FY2024-25, company website, stock-exchange corporate filings and other publicly available filings;
- Trading and financial data of comparable listed companies and information on recent transactions, from the public domain, to the extent readily available;
- The Management Representation Letter;
- Correspondence and discussions with the management; and
- Such other analysis, reviews and enquiries as the Valuer considered relevant.

VALUATION ANALYSIS & ASSESSMENT

Financial Analysis, Inspection & Review

As part of the valuation process, we carried out a review and analysis of the Company's financial information, comprising, inter alia, the following:

- Reviewed the historical financial statements of the Company (standalone), including the balance sheets, statements of profit and loss, cash flow statements and the notes thereto, prepared in accordance with the Indian Accounting Standards (Ind AS), to understand the Company's financial position, performance, trends and risks;
- Assessed the financial information for internal consistency and credibility, and sought clarifications from management in respect of any discrepancies or inconsistencies noted;
- Analysed key financial and operational performance indicators to identify trends in revenue, profitability, cash flows, leverage and net worth, relevant to the earnings-based and asset-based methods;
- Considered whether any normalisation adjustments to historical earnings were required for the purpose of the earnings-capitalisation method, as set out in the Valuation Approaches & Methodology section;
- Reviewed the auditor's reports and the notes to the financial statements for matters relevant to the valuation, including the nature of the audit opinion, any going-concern observations, and disclosed contingent liabilities and commitments; and
- Corroborated the financial information, where practicable, against the Company's stock-exchange filings and other publicly available information.

Financial Analysis of the Company

We have analysed the standalone financial performance and position of the Company for the financial years ended 31 March 2022 to 31 March 2025 (audited) and the nine months ended 31 December 2025 (provisional / management-certified). A summary is set out below:

Particulars (₹ in crore)	FY2022	FY2023	FY2024	FY2025	9M FY2026*
Net Revenue	182.98	200.64	183.28	236.89	182.29
EBITDA	6.7	12.61	-4.75	16.65	16.22
Profit Before Tax	-4.12	8.31	-16.13	7.02	8.2
Profit / (Loss) After Tax	-2.21	6.64	-12.65	5.46	5.54
Net Worth (Total Equity)	133.39	151.17	138.33	184.56	190.09
Total Borrowings	100.29	85.5	74.71	77.7	67.99

*9M FY2026 figures are provisional and management-certified; the audited financial statements for the financial year ending 31 March 2026 were not available as at the Valuation Report Date. Source: audited standalone financial statements for FY2022–FY2025 and management-certified information for the nine months ended 31 December 2025.

- Revenue and operating performance: Revenue from operations grew from ₹182.98 crore in FY2021-22 to ₹236.89 crore in FY2024-25, with the most recent audited year recording an increase of approximately 29% over FY2023-24 (₹183.28 crore). Operating performance over

the review period has been uneven - the Company recorded positive EBITDA in FY2022 and FY2023, an operating loss at the EBITDA level in FY2024 (₹(4.75) crore), and a recovery to ₹16.65 crore in FY2025, with ₹16.22 crore in the nine months ended 31 December 2025.

- Profitability: The Company's earnings record over the review period has been volatile and non-uniform, alternating between profit and loss years - a loss after tax in FY2022 (₹2.21 crore), a profit in FY2023 (₹6.64 crore), a significant loss in FY2024 (₹12.65 crore), and a return to profitability in FY2025 (₹5.46 crore), followed by a profit of ₹5.54 crore in the nine months ended 31 December 2025. Profit before tax has similarly swung between positive and negative across the period, materially influenced by finance costs and exceptional / non-recurring items. This volatility in the historical earnings stream is a key consideration in the selection of valuation approaches and is addressed in the Valuation Approaches & Methodology and Valuation Conclusion sections.
- Financial position and net worth: The Company's net worth strengthened over the review period, from ₹133.39 crore as at 31 March 2022 to ₹184.56 crore as at 31 March 2025, and ₹190.09 crore as per the provisional information as at 31 December 2025. The increase reflects, inter alia, retained profits in the profitable years and capital infused through preferential allotment of equity shares and share warrants. The interim dip in FY2024 is consistent with the loss recorded in that year.
- Leverage and credit profile: Total borrowings reduced steadily over the review period, from ₹100.29 crore as at 31 March 2022 to ₹77.70 crore as at 31 March 2025 and ₹67.99 crore as at 31 December 2025, reflecting deleveraging. Finance cost has nonetheless remained a significant charge against operating profit. During the nine months ended 31 December 2025, India Ratings and Research upgraded the Company's long-term bank facility rating to 'IND BBB-' (Stable) and the short-term rating to 'IND A3', consequent to which the Company's borrowing cost reduced. The improvement in the credit profile, together with the deleveraging trend, supports the going-concern premise adopted for the valuation.

Overall assessment: The Company operates an established branded-innerwear business with a recovering and deleveraging financial profile - revenue growth in FY2024-25, a return to profitability, reducing borrowings and an improved credit rating - set against a historically volatile earnings record over the review period. The historical earnings, being non-uniform and influenced by exceptional and non-recurring items, do not present a stable or representative earnings stream capable of reliable capitalisation; this is a key factor in the selection of valuation approaches and is dealt with in the Valuation Approaches & Methodology and Valuation Conclusion sections.

Economic Analysis - Indian Economy

The valuation has been considered in the context of the prevailing macroeconomic environment in India as at the Valuation Date.

The Indian economy has continued to demonstrate resilient growth. Real GDP grew by approximately 6.5% in FY2024-25 and expanded by 7.8% in the first quarter of FY2025-26. The Reserve Bank of India subsequently revised its real GDP growth forecast for FY2025-26 upward to approximately 7.3%, supported by robust domestic demand, rationalisation of income tax and Goods and Services Tax (GST), softer crude oil prices, front-loading of government capital expenditure, and accommodative monetary and financial conditions.

Inflation has moderated significantly. Headline CPI inflation eased to multi-year lows during the second half of calendar 2025, remaining well within the Reserve Bank of India's tolerance band of 4% ($\pm 2\%$), aided by subdued food prices and the recent reduction in GST rates. Consistent with benign inflation, the Reserve Bank of India has maintained the policy repo rate at 5.50% with a neutral stance. Fiscal consolidation has progressed, with the Central Government debt-to-GDP ratio estimated to decline in FY2025-26, and the current account deficit has remained contained, supported by resilient services exports.

Industry Analysis – Innerwear / Intimate- Apparel Industry

India's medium-term growth prospects remain favourable, underpinned by a large and youthful population, rising urbanisation and digital penetration, sustained public investment in infrastructure, and structural reforms including GST rationalisation and the Production-Linked Incentive (PLI) schemes. India is widely projected to become the world's third-largest economy by around 2030.

The economy nevertheless remains exposed to risks, including external trade and tariff uncertainties, global geopolitical developments, and commodity-price volatility. On balance, India's macroeconomic fundamentals as at the Valuation Date remain sound, providing a supportive environment for the consumer-facing sectors in which the Company operates.

The Company operates in the Indian innerwear (intimate-apparel) industry, a structurally growing segment within the broader apparel sector. The India innerwear market was valued at approximately US\$10.24 billion in 2024 and is projected to grow at a compound annual growth rate (CAGR) of approximately 6.7% over 2025–2033, reaching approximately US\$19.25 billion by 2033. Within this, the male innerwear segment - the Company's principal segment - was valued at approximately US\$10.20 billion in 2024, with the premium male innerwear sub-segment growing at an estimated CAGR of approximately 6.2% over the same period, reflecting a pronounced shift toward premiumisation. Growth in the industry is driven by rising disposable incomes, increasing fashion consciousness, growing urbanisation, expanding e-commerce penetration, and a structural shift from unbranded/regional products toward branded and premium offerings.

The industry continues to benefit from the broader formalisation of apparel retail and the rationalisation of Goods and Services Tax (GST) rates on textiles and apparel, which improve the competitiveness of organised, branded players relative to the large unorganised segment. Improvements in retail infrastructure, the rapid expansion of quick-commerce and e-commerce channels, and deeper penetration of branded products into Tier-II and Tier-III towns are widening the addressable market. Demand patterns are increasingly influenced by comfort, fabric technology, design and brand, alongside a growing emphasis on inclusive sizing and the women's intimate-wear and athleisure categories, which are growing faster than the traditional basics segment.

For an established branded-innerwear company such as VCL, these trends indicate a favourable medium-term demand environment, supported by premiumisation, category expansion (notably women's innerwear and athleisure), channel diversification across modern trade and e-commerce, and the structural shift of demand from the unorganised to the organised, branded segment. The sector is nonetheless competitive and price-sensitive, with established multinational and domestic branded players and a significant unorganised segment, requiring sustained investment in brand, distribution and product innovation to maintain and grow market share.

Strengths:

- Established, well-recognised brand portfolio ("VIP", "Frenchie", "Feelings", "Leader") with long-standing presence in the branded-innerwear category.
- Wide, multi-channel distribution network (distributors, modern trade, e-commerce) with extensive retail reach across India.
- In-house manufacturing capability and a diversified product portfolio across men's and women's innerwear and socks.

Weaknesses:

- Historically volatile earnings and margin profile relative to larger organised peers.
- Working-capital-intensive operations (inventory and receivables), with finance cost a significant charge against operating profit.
- Lower scale and brand-investment capacity relative to the largest market leaders.


Opportunities:

- Premiumisation and the growing women's intimate-wear and athleisure segments, supporting margin and category expansion.
- Structural shift of demand from unorganised to organised/branded products, aided by GST rationalisation and retail formalisation.
- Expansion of e-commerce and quick-commerce channels and deeper penetration into Tier-II/III markets.

Threats:

- Intense competition from established multinational and domestic branded players and a large unorganised segment.
- Price sensitivity and exposure to raw-material (cotton/yarn) cost volatility, affecting margins.
- Discretionary nature of premium demand, sensitive to broader consumption cycles.

VALUATION APPROACHES & METHODOLOGY

Valuation Standards

This valuation has been carried out in accordance with the Companies (Registered Valuers and Valuation) Rules, 2017, the ICAI Valuation Standards 2018 issued by the Institute of Chartered Accountants of India, and the International Valuation Standards 2025 (effective 31 January 2025), and having regard to the relevant pricing provisions of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

The Companies (Registered Valuers and Valuation) Rules, 2017 constitute the mandatory regulatory framework for this Registered Valuer engagement, under which the ICAI Valuation Standards 2018 are the applicable valuation standards. The International Valuation Standards 2025 have been applied as an additional, internationally-recognised framework to the extent consistent with the ICAI Valuation Standards and applicable Indian law.

These standards govern, among other matters, the scope of work, the bases and premise of value, the valuation approaches and methods, the data and inputs, and the documentation and reporting, thereby promoting consistency, transparency and credibility in the valuation process. The determination of the floor price for the proposed preferential allotment has additionally been made in accordance with the pricing framework prescribed under Regulation 166A read with Regulation 164 of the SEBI ICDR Regulations.

Valuation Approach

Asset Approach

The Asset Approach or the Cost Approach provides an indication of value based on the economic principle that a buyer will not pay more for an asset than the cost to obtain an asset of equal utility, whether by purchase or construction. This approach estimates the value of an asset by determining the current replacement or reproduction cost, and then making deductions for any relevant forms of obsolescence. The use of the Asset Approach depends on several factors such as:

- Re-creatability of the Asset: This approach is most appropriate when participants could easily recreate an asset of similar utility without significant time or legal restrictions.
- Income Generation: The Asset Approach is often used when the asset is not directly income-generating, or when reliable income projections are difficult to obtain, making income-based methods less applicable.
- Market Conditions: In markets where the cost of replacement or reproduction is well understood, this approach can be particularly effective.

Key Considerations and Adjustments for Asset Approach -

- Replacement vs. Reproduction Cost: The valuer must determine whether to use replacement cost (cost to replace with a similar asset) or reproduction cost (cost to reproduce an exact replica).
- Obsolescence: Adjustments must be made for physical, functional, and economic obsolescence. Physical Obsolescence reflects the wear and tear on the asset. Functional Obsolescence accounts for any inefficiencies or inadequacies in the asset relative to current standards or needs. Economic Obsolescence considers external factors, such as market conditions, which reduce the asset's value.

- Incomplete Assets: For partially completed assets, the value will reflect the costs incurred to date, adjusted for the expectation of future costs, risks, and time required to complete the asset.

The Asset Approach is particularly useful in valuing assets where market data or income projections are limited, and it requires careful consideration of the asset's current utility, potential for obsolescence, and the cost to replace or reproduce the asset.

Market Approach

The Market Approach provides an indication of value by comparing the subject asset with identical or similar assets for which price information is available. This approach relies on the principle of substitution, which suggests that a buyer will not pay more for an asset than the price of a comparable substitute. Use of the Market Approach depends on several factors such as:

- Availability of Comparable Data: The Market Approach is most effective when there is sufficient data on recent transactions involving identical or similar assets. This data must be reliable, timely, and relevant to the valuation date.
- Market Activity: The approach is particularly useful in active markets where frequent transactions provide a robust dataset of comparable sales or prices.
- Asset Homogeneity: The Market Approach works best when the asset being valued is similar to other assets in the market. Heterogeneous or unique assets may require significant adjustments, reducing the reliability of this approach.

Key Considerations and Adjustments for Market Approach –

- Selection of Comparable: The valuer must carefully select comparable assets, considering factors such as location, condition, size, and functionality. The more similar the comparable, the more reliable the valuation.
- Adjustments for Differences: Adjustments may be needed to account for differences between the subject asset and the comparable. These adjustments should be well-documented and based on objective criteria, such as differences in physical characteristics, market conditions, or economic factors.
- Market Conditions: The valuer must consider the overall market conditions at the time of the comparable transactions. Changes in market dynamics, such as supply and demand fluctuations, can significantly impact the comparability of the data.
- Units of Comparison: The Market Approach often uses units of comparison, such as price per square foot or EBITDA multiples. The valuer should select the most relevant unit of comparison based on market practices and the nature of the asset.

The Market Approach is a widely used valuation method, particularly in markets with active trading of similar assets. It requires careful selection and adjustment of comparable data to ensure that the value derived reflects the true market value of the subject asset.

Income Approach

The Income Approach is a valuation method that determines the value of an asset by converting expected future cash flows into a present value. This approach is based on the principle that the value of an asset is primarily derived from its ability to generate income over time. Income Approach provides an indication of value by converting projected future income, cash flows, or cost savings into a single present value. It is particularly suitable for income-generating assets where the income stream is the critical element affecting value. Applicability of the Income Approach depends on several factors such as:

- Income-Producing Ability: The approach is most appropriate when the asset's value is closely tied to its ability to generate income.
- Availability of Reliable Projections: The approach requires reasonable projections of future income or cash flows. When such projections are uncertain or unavailable, the reliability of this approach may be compromised.
- Market Comparable: In cases where there are no relevant and reliable market comparable, the Income Approach may be the preferred method.

Key Considerations and Adjustments for Income Approach -

- Discount Rate: The selection of an appropriate discount rate is crucial. It should reflect the risk associated with the income stream.
- Projection Period: The length of the projection period should align with the asset's economic life and the predictability of its income.
- Adjustments for Risk: The approach should account for systematic risk (market risk) and unsystematic risk specific to the asset.
- Terminal Value: Estimating the terminal value, which represents the asset's value at the end of the projection period, is essential. It often requires assumptions about the asset's future income potential beyond the explicit forecast period.

The Income Approach requires careful consideration of these factors to ensure that the value derived is both reasonable and reflective of the asset's income-generating potential.

The Income Approach provides an indication of value by converting future economic benefits into a single present value. It may be applied through the Discounted Cash Flow method (discounting projected future cash flows) or the Historical Earnings Capitalisation method (capitalising a representative level of maintainable earnings). The approach is most appropriate for income-generating businesses with a stable or reliably projectable earnings stream. In the present case, management did not provide financial projections; accordingly, only the Historical Earnings Capitalisation method was considered under this approach, the application of which is discussed in the Valuation Methodology section below.

Valuation Methodology Considered under the valuation approach

Asset Approach – Net Asset Value Method

The Net Asset Value (NAV) method is a valuation approach that calculates the value of a business entity by determining the difference between its total assets and total liabilities. Essentially, it represents the equity value of the business if all assets were sold, and liabilities paid off. NAV method is the most appropriate for businesses where the value is primarily driven by the underlying assets rather than earnings, such as in holding companies, investment entities, or real estate firms. It is less suitable for operating businesses where future earnings potential is a key driver of value.

Key Considerations and Adjustments

- Asset Valuation: Each asset should be valued at its fair value. This may require adjustments for depreciation, obsolescence, or market fluctuations.
- Liabilities: All liabilities must be accurately accounted for at their current value.
- Non-Operating Assets: Non-operating or surplus assets should be identified and valued separately, as they can significantly impact the NAV.

- Adjustments for Market Conditions: The valuer should consider current market conditions and potential liquidation costs, which may affect the realizable value of assets.
- Minority Interest Discount: Where a minority interest is valued, a discount for lack of control may be applied. This is not applicable to the present valuation, which is on a marketable-minority basis consistent with the purpose of the engagement.

The NAV method provides a clear snapshot of a company's equity value based on its balance sheet, making it a straightforward yet sometimes limited approach, particularly for income-generating businesses.

We have assessed the value of the equity shares of the Company under the Asset Approach using the Net Asset Value method, on a going-concern basis (and not on a liquidation or break-up basis). The net assets attributable to equity holders have been determined from the Company's financial position as on the Valuation Date, with tangible immovable assets (land and factory building) considered at fair market value and deferred tax appropriately recognised on the resulting revaluation surplus. In accordance with the Asset Approach, internally-generated brand value has not been added; the Company's brand and licence have been considered at their carrying values as appearing in the audited financial statements prepared under Ind AS (recognised and measured under Ind AS 38, net of amortisation and impairment, with annual impairment assessment and no impairment indicators identified), as represented by management and supported by the Management Representation Letter. The number of equity shares used is 9,01,29,519, the outstanding share warrants being out-of-the-money and anti-dilutive as discussed in the Valuation Asset section.

The Net Asset Value per equity share is therefore ₹21.09 on a book-value basis and ₹23.56 on a fair-value basis. We have considered the fair-value basis (₹23.56 per equity share) as the indication under the Asset Approach, being the more complete measure consistent with the basis of value adopted.

The Company is an operating going concern whose value is principally driven by its business and earnings rather than by its underlying net assets, and its equity shares are frequently traded. Accordingly, consistent with ICAI Valuation Standard 103 and the statutory framework under Regulation 166A read with Regulation 164, the value indicated under the Net Asset Value method has been considered on a corroborative basis, the actively traded market price under Regulation 164(1) being the primary, statutorily-mandated evidence of value for the floor-price determination. Further, as internally generated brand value has not been recognised under the Asset Approach, the Net Asset Value may not fully reflect the going-concern value of the Company's established brands; this has been considered in arriving at the conclusion

Market Approach – Actively-Traded Market Price (Regulation 164(1))

As the equity shares of the Company are listed and frequently traded, the primary evidence of value under the Market Approach is the actively-traded market price of the equity shares, determined in accordance with Regulation 164(1) read with Regulation 164(5) of the SEBI ICDR Regulations.

The frequently-traded test under Regulation 164(5) was applied separately for each stock exchange. The equity shares are frequently traded on the National Stock Exchange of India Limited (NSE), the traded turnover during the 240 trading days preceding the Relevant Date being

approximately 69.87% of the total listed shares, which exceeds the 10% threshold. On BSE Limited the corresponding measure was approximately 6.70%, i.e. not frequently traded. NSE also recorded the substantially higher trading volume during the 90 trading days preceding the Relevant Date. Accordingly, in terms of Regulation 164(1) read with 164(5), the actively-traded price has been determined with reference to the NSE volume-weighted average price (VWAP), with the BSE data retained on a corroborative basis.

The Regulation 164(1) floor price is the higher of the 90-trading-day VWAP (₹22.48) and the 10-trading-day VWAP (₹22.02) preceding the Relevant Date, i.e. ₹22.48 per equity share as on the Relevant Date of 12 May 2026. As the VWAP represents the traded price of the listed equity shares, no adjustment has been made for the outstanding share warrants (which are, in any event, out-of-the-money and anti-dilutive). The detailed computation is set out in Annexure 1A & 1B.

The actively-traded market price is the primary, statutorily-mandated evidence of value for the floor-price determination under Regulation 166A read with Regulation 164.

Market Approach – Comparable Company Multiple Method

The Comparable Company Multiple (CCM) method is a market-based valuation approach that estimates the value of a business by comparing it to similar publicly traded companies. This method uses valuation multiples (e.g., EV/EBITDA, P/E ratio) derived from comparable companies and applies them to the target company's financial metrics to estimate its value. CCM method is best used in industries with numerous publicly traded companies that share similar characteristics with the target business, such as size, growth prospects, and capital structure. It is less effective in niche markets or for unique companies where suitable comparable are hard to find.

Key Considerations and Adjustments

- Selection of Comparable: The accuracy of this method heavily depends on selecting truly comparable companies. Factors like industry, market position, and financial performance must be closely matched.
- Market Conditions: The multiples used should reflect current market conditions, which can fluctuate significantly over time.
- Adjustment for Differences: Adjustments may be necessary to account for differences between the target company and the comparable, such as differing growth rates, margins, or risk profiles.
- Liquidity and Control Adjustments: If the target is a private company, adjustments for lack of liquidity or control (if valuing a minority interest) may be required.

The CCM method provides market-aligned estimate of value but requires careful selection and adjustment of comparable to ensure accuracy.

We have additionally assessed the value of the equity shares under the Comparable Company Multiple (CCM) method, on a corroborative basis.

Comparable companies were identified from listed Indian branded innerwear / intimate-apparel and branded-apparel companies, having regard to the nature of business, product mix, scale, profitability and listing/liquidity. The core comparable set comprises Dollar

Industries Limited, Rupa & Co. Limited and Lux Industries Limited (pure-play branded innerwear/hosiery), supplemented by a wider ring of branded-apparel companies (Kewal Kiran Clothing, Cantabil Retail, Monte Carlo Fashions and Go Fashion (India)).

Companies that were materially dissimilar in scale, product category, business model (export/B2B contract manufacturers) or liquidity (SME-platform / thinly-traded), and clear size/margin outliers (e.g. Page Industries), were excluded, with the basis of selection and rejection documented in our working papers.

The comparable multiples were adjusted downward through a derived comparability discount reflecting the Company's lower profitability, smaller scale, and financial and governance risk differentials relative to the peer set (derived from observable subject-versus-peer-median drivers - EBITDA margin, net-profit margin, leverage, size, promoter and pledged holding). The Company's financial base has been taken on a trailing-twelve-month (TTM) basis as at 31 December 2025.

The CCM method indicates a value of approximately ₹15.18 per equity share. The application of this method is subject to inherent limitations arising from differences in scale, product mix, leverage, profitability and risk profile between the Company and the comparable companies in the innerwear / intimate-apparel industry, and the volatility in the Company's historical earnings. Accordingly, the CCM indication has been considered on a corroborative basis, the actively-traded market price under Regulation 164(1) being the primary statutorily-mandated evidence of value.

Income Approach – Historical Earnings Capitalisation Method

The Historical Earnings Capitalisation method is an income-based valuation approach that estimates the value of a business by capitalising a representative level of its maintainable earnings at an appropriate capitalisation rate. Unlike the Discounted Cash Flow method, which discounts multi-period future projections, the earnings-capitalisation method derives value from a single, normalised representative earnings figure drawn from the entity's historical financial performance. The method is appropriate where the entity exhibits a stable and representative earnings stream capable of being treated as maintainable, and is less appropriate where historical earnings are volatile, non-uniform, or materially influenced by exceptional or non-recurring items, or where reliable forward-looking financial information is not available.

Key Considerations and Adjustments

- Representative Maintainable Earnings: The historical earnings must be normalised for exceptional, non-recurring and extraordinary items to arrive at a maintainable earnings figure that is representative of the entity's sustainable performance. A stable, non-volatile earnings record is a precondition for the reliable application of this method.
- Capitalisation Rate: The capitalisation rate must reflect the risk associated with the earnings stream and the time value of money (typically derived from the cost of capital, adjusted for long-term sustainable growth). The rate must be reasoned and disclosed.
- Normalisation Adjustments: Adjustments are required to eliminate the effect of exceptional income/expenses, non-operating items and other distortions, so that the capitalised base reflects recurring operating performance.
- Reliability of the Earnings Base: Where the historical earnings are loss-making in certain years and profit-making in others, or are materially affected by working-capital and other non-recurring movements, the resulting capitalised value may not provide a reliable indication of value.

Valuation Premiums & Discounts

We considered the Income Approach under the Historical Earnings Capitalisation method. An analysis of the Company's standalone financial performance over the review period (the financial years ended 31 March 2022 to 31 March 2025, and the nine months ended 31 December 2025), as set out in the Financial Analysis section, indicates a volatile and non-uniform earnings record. The Company recorded a loss after tax in FY2021-22, a profit in FY2022-23, a significant loss in FY2023-24, and a return to profitability in FY2024-25 and in the nine months ended 31 December 2025. Operating performance at the EBITDA level was similarly uneven, including an operating loss in FY2023-24. The historical earnings have been materially influenced by exceptional and non-recurring items and by significant year-on-year movements in working capital.

Consequently, the Company's historical earnings do not constitute a stable or representative maintainable earnings stream capable of reliable capitalisation. Further, the management did not provide any financial projections, and accordingly a forward-looking income method (such as the Discounted Cash Flow method) could not be applied. The Income Approach is therefore not capable of yielding a reliable value conclusion for the Company.

In addition, the equity shares of the Company are frequently traded, and the actively-traded market price under Regulation 164(1) constitutes the primary, statutorily-mandated evidence of value for the floor-price determination. Having regard to the foregoing, the Income Approach has been considered but not relied upon in arriving at our conclusion of value.

The International Valuation Standards (IVS) provide guidance on application of premiums and discounts & how these adjustments should be considered and applied to ensure that the valuation reflects the true value of the business under various conditions.

Key Types of Premiums and Discounts

- Control Premium is applied when a buyer gains control over a business, allowing them to make key strategic decisions. This premium reflects the added value of controlling the business, and it is important to assess whether the valuation assumes a controlling or minority interest.
- Minority Discount: A minority discount (or lack of control discount) is applied when valuing a minority interest, which has limited influence over business decisions. The discount reflects the reduced power and control, and ensures it is proportionate to the degree of control that is lacking.
- Marketability Discount: A marketability discount accounts for the lack of liquidity in a business interest, particularly in private companies where shares are not easily traded. Factors such as transfer restrictions and market conditions to determine an appropriate discount.
- Synergistic Premium: This premium is applied when the combination of the business with another entity creates additional value through synergies like cost savings or increased revenues. Application of this premium is only when specific and achievable synergies are evident.
- Liquidity Discount: Similar to marketability discounts, a liquidity discount reflects the ease with which a business interest can be converted into cash, often applied in distressed sales or when a quick sale is required.

Considerations for Applying Premiums and Discounts

The application of premiums and discounts should be consistent with the purpose of the valuation. The basis of value used in the valuation should align with the application of any premiums or discounts. Any premiums or discounts applied must provide a clear rationale for the

application, size, and impact of each premium or discount, including the data and assumptions used to determine them. Further, these should be market evidence when determining the size of premiums and discounts which includes analysis of comparable transactions, empirical studies, or market conditions. The use of market data helps ensure that the adjustments are grounded in reality and reflect current market behaviour. Finally, application of premiums and discounts should be consistent throughout the valuation process ensuring that adjustments are not applied selectively or in a manner that would lead to an inaccurate or biased valuation outcome.

Having regard to the purpose of the valuation and the basis of value adopted, premiums and discounts have been considered as follows:

- ***Control premium: As established in the Valuation Objective, the proposed preferential allotment does not result in a change in control of the Company. Accordingly, the second proviso to Regulation 166A(1) is not attracted and no control premium has been applied.***
- ***Marketability / liquidity discount: The equity shares of the Company are listed and frequently traded within the meaning of Regulation 164(5). Accordingly, no discount for lack of marketability or liquidity has been applied; the actively-traded market price reflects the price at which the shares are, in fact, traded.***
- ***Minority / lack-of-control discount: The actively-traded market price under Regulation 164(1) and the Comparable Company Multiple indication are market-derived indications on a marketable-minority basis, appropriate to the purpose of determining the floor price for the preferential allotment. No separate minority discount has been applied.***
- ***Comparability discount (Comparable Company Multiple method): A comparability discount was applied to the comparable multiples to adjust for measurable differences between the Company and the comparable companies. This discount was derived from observable subject-versus-peer-median drivers - including lower EBITDA and net-profit margins, smaller scale of operations, higher relative leverage, and promoter and pledged-holding differentials - and was applied at 20% to the EV/EBITDA and Price/Earnings multiples adopted, as set out in the Valuation Methodology section and our working papers. No deduction has been made for contingent liabilities, there being no contingent liability requiring adjustment for this purpose.***

The application of premiums and discounts has been kept consistent with the purpose of the valuation and the basis of value, and applied on a reasoned and evidenced basis, consistent with ICAI Valuation Standard 103 and the International Valuation Standards.

Cost of Capital

For the purpose of the Income Approach (Historical Earnings Capitalisation method), the cost of capital and the capitalisation rate were assessed as follows.

The cost of equity was estimated using the Capital Asset Pricing Model (CAPM), as $K_e = R_f + \beta \times R_p + \text{company-specific risk premium}$, where

- the risk-free rate (R_f) is the yield on the 10-year Government of India security as on the Valuation Date
- the equity market risk premium (R_p) is derived from the long-period total return on the BSE Sensex over the risk-free rate
- and the equity beta is estimated from the average levered beta and debt-equity ratio of comparable listed companies, unlevered and re-levered for the Company's capital structure.
- A company-specific risk premium, reflecting the Company's smaller scale and relative illiquidity, was estimated using an option-pricing (Black-Scholes) framework and added to the cost of equity.

Key Factors Affecting Valuation

The cost of debt was determined from the weighted average interest cost of the Company's outstanding borrowings as on the Valuation Date, adjusted for the tax shield at the effective corporate tax rate (25.17%), giving a post-tax cost of debt of approximately.

Weighting the cost of equity and cost of debt by the Company's capital structure as on the Valuation Date gives a Weighted Average Cost of Capital (WACC). The capitalisation rate applied under the Historical Earnings Capitalisation method is the WACC less the long-term sustainable growth rate (assessed having regard to historical, industry and macroeconomic growth indicators)

The detailed derivation of the WACC and the capitalisation rate is set out in the Annexure. As explained in the Income Approach section, notwithstanding the application of this capitalisation rate, the Company's volatile and non-representative historical earnings yield a value indication that is not meaningful (negative), and accordingly the Income Approach has been considered but not relied upon in arriving at the conclusion of value. The cost of capital and capitalisation rate have therefore been documented for completeness of the approaches considered and do not drive the conclusion of value.

Key factors significantly influence the valuation conclusion across the approaches considered. These have been discussed in the relevant sections above and are summarised below as the key factors affecting the valuation as on the Valuation Date:

- **The equity shares of the Company are frequently traded on NSE; accordingly, the actively-traded market price under Regulation 164(1) is the primary, statutorily-mandated evidence of value, with the other approaches considered on a corroborative basis.**
- **The Company's historical earnings are volatile and non-uniform, and management did not provide financial projections; consequently the Income Approach (Historical Earnings Capitalisation) does not yield a reliable value indication and has not been relied upon.**
- **Under the Net Asset Value method, internally-generated brand value has not been recognised (brand and licence are carried at audited Ind AS carrying values); the method may therefore not fully reflect the going-concern value of the Company's established brands.**
- **The audited financial statements for FY2025-26 were not available as at the Valuation Report Date; reliance has been placed on provisional/management-certified financial information supported by the Management Representation Letter.**
- **There is an interval between the Valuation Date (31 December 2025) and the Relevant Date (12 May 2026); the conclusion is considered in the context of this interval, including the status of the outstanding share warrants, as addressed in the Valuation Conclusion.**
- **We have relied on the audited financial statements, the auditor's reports and management representations in respect of contingent liabilities and other matters; any change in such matters may affect the valuation conclusion.**

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**VALUATION
ASSUMPTIONS &
LIMITATION*****Valuation Assumptions***

We have made certain general assumptions to provide a consistent and credible basis for the valuation. These assumptions help in interpreting the results and ensuring that the valuation reflects a reasonable estimate of the value of the equity shares of the Company.

- **Going Concern** - The Company is assumed to continue as a going concern and not to be liquidated or to cease operations in the foreseeable future. This assumption influences the selection of valuation methods and the interpretation of the Company's financial performance.
- **Accuracy and Reliability of Information** - The financial statements and other information provided by management are assumed to be accurate, complete and prepared in accordance with the applicable accounting standards (Indian Accounting Standards), with no material misstatement or omission unless otherwise specified. We have relied on such information without independent verification.
- **Market Conditions** - Market, economic and industry conditions are assumed to be those prevailing as at the Valuation Date and the Relevant Date. Significant changes in such conditions could affect the valuation outcome.
- **Comparable Market Data** - In applying the Market Approach, the comparable companies and market data used are assumed to be sufficiently representative, having regard to business, scale, industry and financial performance, subject to the comparability adjustments described in the Valuation Methodology section.
- **Premiums and Discounts** - Premiums and discounts have been applied only as expressly described in this report. Consistent with the purpose and the basis of value, no discount for lack of marketability has been applied (the equity shares being frequently traded) and no control premium has been applied (the proposed allotment not resulting in a change in control); a comparability discount has been applied under the Comparable Company Multiple method as described.
- **No Projections Relied Upon** - No financial projections or forecasts were provided by management, and none have been relied upon. Accordingly, no forward-looking income method has been adopted, as explained in the Income Approach section.
- **No Unforeseen Liabilities** - It is assumed that there are no undisclosed or unforeseen liabilities (including legal, regulatory, tax or environmental) that could significantly affect the Company's financial position or the valuation outcome, other than as disclosed in the financial statements and represented by management.
- **Regulatory Compliance** - The Company is assumed to be in compliance with applicable laws, regulations and licensing requirements, and no pending legal or regulatory matter is assumed to materially affect its operations or value, except as disclosed and represented.
- **Provisional FY2025-26 Financial Information (Special Assumption)** - The audited financial statements for the financial year ending 31 March 2026 were not available as at the Valuation Report Date. The valuation has been carried out on the special assumption that the provisional / management-certified financial information for the period 1 April 2025 to 31 December 2025, relied upon for this purpose, is true and fair in all material respects.
- **Applicability of Regulation 166A** - We have relied on management's representation that the proposed preferential allotment attracts Regulation 166A of the SEBI ICDR Regulations and does not result in a change in control, and have not independently verified the post-issue shareholding or dilution.

**Valuation Limitations
or Disclaimers**

These limitations highlight the constraints inherent in a valuation exercise. While every effort has been made to ensure accuracy and reliability, these constraints are communicated to provide transparency and context for the valuation conclusion.

- The engagement, its contents and the results herein are specific to (i) the purpose of the engagement as set out in the engagement letter, (ii) the Valuation Date and the Relevant Date, and (iii) the latest available financial statements of the Company and other information provided by management or obtained from public sources.
- We have relied on the information and explanations provided by management and obtained from the public domain, and have accepted such information as accurate and complete. While reviewed for consistency and reasonableness, the information has not been independently investigated or verified. This engagement does not constitute an audit, review or due diligence of the Company under any applicable standards, and we express no assurance thereon. We assume no liability for the accuracy or completeness of the underlying information, responsibility for which rests with management.
- It is assumed that, other than as disclosed, there are no events, demands or decisions (legal or otherwise) against the Company likely to materially affect its financial position or future maintainable profits.
- The scope of our engagement is complete upon issuance of this report. We are not required to attend any meetings, court proceedings or depositions in respect of the Company. In no event shall we be liable for any loss, damage, cost or expense arising from fraud, misrepresentation or wilful default of any party, its directors, employees or agents. In no circumstances shall the liability of the valuer, its partners, directors or employees in connection with this engagement exceed the fees charged for these services.
- The engagement reflects facts and conditions existing as at the Valuation Date and the Relevant Date. Events or conditions occurring thereafter have not been considered, and we assume no obligation to update, revise or reaffirm this report for such events or conditions.
- This report does not address the price at which the equity shares of the Company may trade following the proposed preferential allotment, and we express no opinion or recommendation as to how the shareholders of the Company should vote on any resolution in connection with the proposed preferential allotment.
- This report has been prepared solely for the purpose of the proposed preferential allotment under Regulation 166A read with Regulation 164 of the SEBI ICDR Regulations. In terms of the third proviso to Regulation 166A(1), this report is required to be, and may be, published on the website of the issuer and referred to in the notice convening the general meeting of the shareholders of the Company, and may be filed with the stock exchanges and SEBI as required under applicable law. Save for the foregoing statutory and regulatory use, this report, or any part thereof, shall not be used, reproduced or distributed for any other purpose, or relied upon by any other person, without our prior written consent.
- The client has been provided an opportunity to review the draft report to ensure that factual inaccuracies and omissions are avoided; responsibility for the factual accuracy of the information remains with management.

**VALUATION
CONCLUSION****Purpose**

As per discussions with the management, the Valuer understands that the Company proposes to undertake a preferential allotment of equity shares. The Company has represented that the proposed preferential allotment will result in the allotment of more than 5% of the post-issue fully diluted share capital of the issuer to an allottee / allottees acting in concert, thereby attracting Regulation 166A(1) of the SEBI ICDR Regulations. We have relied on management's representation for the applicability of Regulation 166A and have not independently verified the post-issue shareholding or dilution. The proposed preferential allotment does not result in a change in control of the Company; accordingly, the second proviso to Regulation 166A(1) (guidance on control premium) and Regulation 166A(2) are not attracted.

Valuation Conclusion

We have estimated the Fair Value per equity share of VIP Clothing Limited as on the Valuation Date (31 December 2025), on a standalone basis, having considered the Asset, Income and Market approaches in accordance with the ICAI Valuation Standards 2018, the International Valuation Standards 2025, the Companies (Registered Valuers and Valuation) Rules, 2017 and the pricing framework under the SEBI ICDR Regulations.

The value indicated under each approach, and the basis on which each has been weighted in arriving at the relative value per share, is summarised below:

Valuation Approach	Valuation Method	Ref.	Estimated Fair Value (₹/equity share)	Weight	Remarks
Asset Approach	Net Asset Value	Annexure 3	23.56	50%	Net asset value on a fair-value, going-concern basis. The Company has a positive net worth; the method has been considered on a corroborative basis as, for an operating going concern, value is principally driven by business earnings and market evidence rather than underlying net assets, and internally-generated brand value is not recognised under this method.
Income Approach	Historical Earnings Capitalisation	Annexure 4	-2.53	0%	The Company's historical earnings are volatile and non-uniform, and management did not provide financial projections. Application of the capitalisation rate to the normalised historical earnings yields a negative indication that is not a meaningful measure of value. The Income Approach has accordingly been considered but not relied upon.

Market Approach	Comparable Company Multiple	Annexure 2	12.72	50%	Derived from adjusted EV/EBITDA and P/E multiples of comparable listed innerwear / branded-apparel companies, after a reasoned comparability discount. Market-based and given primary weight among the approaches applied.
Relative Value per equity share			18.14	100%	Weighted relative value per equity share determined under this Registered Valuer's report.

The Income Approach indicated a negative value of ₹(2.53) per share which is not a meaningful measure of value (volatile earnings, no projections) and has accordingly been excluded from the determination of the relative value per share. The relative value per share has been determined as the equal-weighted average of the Asset Approach and Market Approach indications, being ₹18.14.

Determination of floor price under Regulation 166A read with Regulation 164

In terms of the first proviso to Regulation 166A(1), the floor price for the proposed preferential allotment shall be the higher of (i) the price determined under sub-regulation (1) of Regulation 164, and (ii) the price determined under this independent Registered Valuer's report. The Articles of Association of the Company do not prescribe any price or formula for preferential allotment; accordingly, (iii) of the first proviso is not applicable, and the determination is a two-way comparison.

The equity shares of the Company are frequently traded, and the recognised stock exchange recording the highest trading volume during the 90 trading days preceding the Relevant Date is the National Stock Exchange of India Limited (NSE). The price determined under Regulation 164(1), being the higher of the 90-trading-day and 10-trading-day volume-weighted average price of the equity shares on NSE preceding the Relevant Date, is ₹22.48 per equity share (refer Annexure 1-A; BSE computation at Annexure 1-B, corroborative). The relative value per equity share determined under this Registered Valuer's report is ₹18.14.

Accordingly, as the price under Regulation 164(1) (₹22.48) is higher than the relative value per equity share under this report (₹18.14), the floor price for the proposed preferential allotment of equity shares is ₹22.48 per equity share, as on the Relevant Date of 12 May 2026.

Developments between the Valuation Date and the Relevant Date

The Valuation Date is 31 December 2025 and the Relevant Date is 12 May 2026. We have considered whether any development in the intervening period would materially affect the conclusion. The 1,14,05,000 share warrants outstanding as on the Valuation Date were out-of-the-money relative to the prevailing market price of the equity shares and have lapsed; the warrants being anti-dilutive, their lapse does not adversely affect the value per equity share, and the amount received against the lapsed warrants, on forfeiture, accretes to the equity of the existing shareholders (directionally supportive of value per share).

The actively-traded price under Regulation 164(1), which governs the floor, has in any event been determined as on the Relevant Date. Save as aforesaid, based on the information and representations provided to us, there were no other material events or changes between the

Valuation Date and the Relevant Date that would materially affect the conclusion of value. The conclusion as at the Valuation Date accordingly holds good for the purpose of the floor-price determination as on the Relevant Date.

This conclusion is subject to the Valuation Assumptions and Limitations and the management representations set out in this report. We have no obligation to update this report or our conclusion of value for information coming to our attention after the date of this report. The valuation has been carried out on a going-concern premise.

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ANNEXURES

Annexure 1 – A

Computation of Active Market Price on NSE

Minimum Offer Price under Reg 164(1) of ICDR – Actively Trade Market Price

Trading Days	No of Share	Total Turnover	Price Per Share
A	B	C	D = C / B
90	2,58,61,439	58,14,52,301	22.48
10	11,70,594	2,57,72,493	22.02
Share Price			22.48
Estimated fair value of Equity		₹Crores	202.64

Start Date	End Date	No of shares traded	Total Number of Shares
11-05-2026	22-05-2025	6,29,75,760	9,01,29,519
Percentage of traded shares in last 240 trading days			69.87
Whether actively traded as per SEBI Guideline			Yes

Annexure 1 – B

Computation of Active Market Price on BSE

Minimum Offer Price under Reg 164(1) of ICDR – Actively Trade Market Price

Trading Days	No of Share	Total Turnover	Price Per Share
A	B	C	D = C / B
90	26,93,522	5,78,29,477	21.47
10	1,30,072	28,87,580	22.20
Share Price			22.20
Estimated fair value of Equity		₹Crores	200.09

Start Date	End Date	No of shares traded	Total Number of Shares
11-05-2026	22-05-2025	60,41,425	9,01,29,519
Percentage of traded shares in last 240 trading days			6.70
Whether actively traded as per SEBI Guideline			No

**Annexure 2 -
Computation of fair
value under market
approach –
comparable market
multiple method**

No	Comparable Market Multiple	Unit	EVEBITDA (x)	Price to Sales (x)	Price to Earnings (x)	Price to Book Value (x)
1	Comparable Company Multiple	Multiple	11.23	1.17	21.25	2.21
2	Comparability Discounts	%	20.00%	50.00%	20.00%	50.00%
3	Adjusted Comparable Company Multiple	Multiple	8.98	0.58	17.00	1.10
4	Comparable Indicator		TTM EBITDA	TTM Revenue	TTM Net Profit	Latest Net Worth
5	Company Base	₹Crores	23.31	247.21	7.81	189.05
6	Adjusted for Exceptional Income	₹Crores	(2.93)	(5.70)	(1.06)	1.04
7	Adjusted Company Base	₹Crores	20.38	241.51	6.75	190.09
8	Value using CMM	₹Crores	183.00	140.73	114.79	209.66
9	Less - Debt net of cash & cash equivalents	₹Crores	68.50	0	0	0
10	Estimated Fair value for equity holders using CMM	₹Crores	114.50	140.73	114.79	209.66
11	Contingent Liability not provided for in books of accounts	₹Crores	0.00	0.00	0.00	0.00
12	Estimated Fair value for equity holders using CMM	₹Crores	114.50	140.73	114.79	209.66
13	No of equity shares outstanding	Number Crores	9.01	9.01	9.01	9.01
14	Estimated Fair value for equity / share using CMM	Rs/Share	12.71	15.62	12.74	23.27
15	Weights		50.00%	0.00%	50.00%	0.00%
16	Estimated Weighted Fair value for equity holders using CMM		12.72			

Note –

- **EVEBITDA (x) - Included primary indicator.** Independent of capital structure, hence appropriate where the subject's leverage and risk profile differ from the comparable set; the standard primary operating multiple under the Market Approach. Comparable multiple adjusted downward through a derived discount reflecting the subject's lower profitability, smaller scale, financial and governance risk and weaker growth. Equal weight with Price to Earnings in the concluded value.
- **Price to Sales (x) - Reference / range-test only excluded from the concluded value.** A revenue multiple implicitly assumes profitability comparable to the peer set; the subject's margins are materially below the comparable median, so the indicator is not value-bearing and is retained solely as a reasonableness check.
- **Price to Earnings (x) - Included as corroborating indicator, equal weight with EV/EBITDA.** Captures the equity earnings the market prices, but the subject's earnings are thin and in a turnaround phase, so it supports rather than leads the conclusion. Comparable multiple adjusted through a derived discount on the same observable risk and quality differentials.
- **Price to Book Value (x) - Excluded from the concluded value.** Book value is an accounting measure with limited value relevance for an asset-light, brand-led business with a recent loss history, and is the statistical outlier among the indicators; shown for completeness only.

**Annexure 3 –
Computation of fair
value under asset
approach – net asset
value method**

No	Particulars	Book Value (₹Lakhs)	Fair Value (₹Lakhs)
A	Non-Current Asset	11,409	14,006
A.1	Tangible Assets	2,260	4,856
A.2	Intangible Assets	7,243	7,243
A.3	Capital work-in-progress	0	0
A.4	Intangible assets under development	159	159
A.5	Fixed assets held for sale	0	0
A.6	Non-current investments	0	0
A.7	Deferred Tax Asset (Net)	0	0
A.8	Long-Term Loans & Advances	15	15
A.9	Other non-current assets	1,732	1,732
B	Current Assets	23,231	23,231
B.1	Current investments	0	0
B.2	Inventories	9,964	9,964
B.3	Trade Receivables	11,583	11,583
B.4	Cash and cash equivalents	770	770
B.6	Other Current Assets	897	897
B.5	Short-term Loans & Advances	18	18
1	Total Assets	34,640	37,237
C	Non-Current Liabilities	1,510	1,881
C.1	Long-term borrowings	27	27
C.2	Deferred Tax Liability (Net)	735	1,106
C.3	Other long-term liabilities	689	689
C.4	Long-term provisions	59	59
C.5	Share application money pending allotment	0	0
D	Current Liabilities	14,121	14,121
D.1	Short-term borrowings	6,772	6,772
D.2	Trade payables	6,458	6,458
D.3	Other current liabilities	276	276
D.4	Short-term provisions	615	615
2	Total Liabilities	15,631	16,002
3	Net Assets allocable to equity holders	19,009	21,235
4	No of Outstanding Shares	9,01,29,519	9,01,29,519
5	Estimated fair value of each equity shares as per NAV method	21.09	23.56

**Annexure 4 –
Computation of fair
value under Income
Approach – Historical
Earnings Capitalization
Method**

No	Particulars (₹Lakhs)	FY2021	FY2022	FY2023	FY2024	FY2025	Q3 FY2026
1	Normalized Net Income Before Tax	(1,149)	(583)	231	(1,259)	678	506
2	Adjusted For						
	Finance Cost (Net of Tax)	816	711	682	680	602	515
	Depreciation	393	385	306	272	294	199
	Tax on Operating Profit	0	0	0	0	0	0
3	Adjusted Net Income After Tax	60	513	1,219	(307)	1,574	1,219
4	Period in months	12	12	12	12	12	9
5	Annualised Earnings	60	513	1,219	(307)	1,574	1,626
4	Weights Assigned	1.00	2.00	3.00	4.00	5.00	6.00
5	Weighted Annualised Earnings	60	1,027	3,658	(1,228)	7,870	9,753
6	Weighted Average Annualised Earnings						1,007
7	Adjusted For						
	a Normalized change in capex						(71)
	b Normalized change in working capital requirement						(547)
8	Adjusted Weighted Average Annualised Earnings						389
9	Capitalization Rate						10.38%
10	Estimated fair value of historical earnings for the firm						3,746
11	Adjustments - Add/(Less)						
	a Surplus Cash & Cash Equivalents at the end						770
	b Outstanding Debt						(6,799)
12	Adjusted Estimated fair value of historical earnings for the equity holders						(2,283)
13	No of Outstanding Equity Shares as on valuation date						9,01,29,519
14	Fair value each equity share						(2.53)

**Annexure 5 –
Computation of
Weighted Average Cost
of Capital (WACC) &
Capitalization Rate**

Particulars	Details	Calculation	Source / Remark
Risk Free Rate of Return - India Govt Bond 10 Year (as on 31 December 2025)		6.588%	https://in.investing.com/rates-bonds/india-10-year-bond-yield-historical-data
Bse Sensex ss on	01-01-1990	783.35	https://www.bseindia.com/indices/IndexArchiveData.html
Bse Sensex ss on	31-12-2025	85,220.60	https://www.bseindia.com/indices/IndexArchiveData.html
Years		36.00	
Dividend Yield		1.396%	https://www.bseindia.com/markets/keystatics/Keystat_index.aspx
Market Rate of Return (CAGR for BSE-Sensex)		15.309%	
Market Risk Premium		8.721%	
Company Beta		0.893	Based on peer group median
Company Debt Equity Ratio		34.340%	Based on peer group median
Unlevered Asset Beta		0.738	Levered Asset Beta / (1+ ((1-Tax Rate) x (Total Debt / Equity)), Median of peer group
Cash Adjustment Factor		0.980	
Total Firm Value of the company			
	352.41		
Total Cash & Short term investments of the company	7.14		
Adjusted Unlevered Beta		0.754	
% of total debt		36.250%	Debt Equity Ratio of the company as on valuation date
Corporate Tax Rate		25.168%	Effective Tax rate over the forecast period
Relevered Beta		0.958	Adjusted Unlevered Asset Beta x (1+ ((1-Tax Rate) x (Total Debt / Equity))
Cost of Equity			
Risk free rate	Rf	6.588%	
Equity Beta (Relevered)	B	0.958	
Market Risk Premium	Rp	8.721%	
Country Risk Premium	Cr	0.000%	
Size Premium	a1	0.000%	
Company Specific Risk Premium (as per Option Pricing Model)	a2	3.343%	
Required Equity Return	Ke	18.287%	$Ke = Rf+B(Rp+Cr)+a1+a2$

Cost of Debt

Weighted cost of debt of outstanding borrowings as on valuation date

11.86%

Corporate Tax Rate

25.168%

Effective Tax rate over the forecast period

Cost of debt net of tax

Kd

8.876%

Weighted average cost of capital**14.876%****(Ke x We)+(Kd x Wd)**

Cost of Equity

Ke

18.287%

Cost of Debt

Kd

8.876%

Equity Ratio

We

63.750%

1 - wd

Debt Ratio

Wd

36.250%

Debt Equity Ratio of the company as on valuation date

Terminal/sustainable growth (g)

4.50%

Estimated growth rate in perpetuity basis the assessment

Capitalisation rate (WACC – g)**10.376%**

Considered in Historical Earnings Capitalization Method

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END OF REPORT

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